

1. Name of applying entity.

266 Developer, LLC

Robert E. Mallory  
229 East Chickasaw Coves  
Memphis, TN 38111  
901.219.5948 – cell  
901.524.4151 – office

John H. Dicken, Jr.  
21 Tishomingo Cove  
Memphis, TN 38111  
901.237.3032 – cell  
901.766.4597 - office

Vince Smith, Jr.  
355 Tara Lane  
Memphis, TN 38111  
901.489.5896 – cell  
901.324.0321 – office  
901.327.7269 – fax  
[kakivs@bellsouth.net](mailto:kakivs@bellsouth.net)

2. Background information about the applicant and partnership structure.

266 Developer, LLC is a newly formed partnership consisting of:

Robert E. Mallory, Managing Director, Raymond James  
John H. Dicken, Jr, Founder, Dicken Commodities, Inc.  
Vince Smith, Jr. see attached development history

3. Briefly describe the proposed Project.

Please see attached letter from architect.

4. Marketing plans for the project. Expected amount of time to reach full occupancy. Who will manage the project?

Mixed-use project with 145 apartments and retail space for lease.

Please see the attached letter from Kendall Haney of DCC.

5. Location of the proposed project.

266 South Front Street

Parcel # 002101 00016C

The property is made up of three separate Legal Descriptions they are attached.

Does the applicant have a valid option to purchase?

Yes, Purchase and Sale Contract with Southfront Partners.

Existing financing.

Bank Term Letter attached.

6. Project cost.

Please see attached.

7. Changes needed to the public space around project.

Please see attached letter from architect.

8. Proposed time schedule for the project.

Loan should close in March 2015. Construction should begin by June 2015 with construction of the first building completing in April of 2016. The second building should be completed in February of 2017.

9. Financial Background.

Non-audited financial statement attached.

Projects accounting firm.

Lenahan, Smith and Bargiachi  
Jim Lenahan  
1080 Brookfield Road  
Memphis, TN 38119  
901.684.1100

10. Counsel for the Applicant

Richard Spore  
Bass, Berry and Sims  
100 Peabody Place, Suite 900

Memphis, TN 38103  
901.543.5902

Architect and Engineers

Sal Feraci  
Renaissance Group  
9700 Village Square, Suite 100  
Lakeland, TN 38002  
901.332.5533

Contractor has not been chosen at this time.

11. Credit references.

Richard Exley  
Community Bank  
901.309.3753

Tom Stephenson  
Independent Bank  
901.844.0464

Robert E Mallory  
Morgan Keegan  
901.524.4151

Renaissance Group  
Sal Feraci  
901.332.5533

Downtown Condo Connection  
Kendall Haney  
901.725.1968

B&C Construction  
Bill Konaman  
901.386.7040

12. Are there any persons involved with the project that are currently engaged in any civil or criminal proceedings?

None

13. Photos of existing building and floor plans of the proposed.

Please see attached photos and floor plans.

14. Is the property historic?

No.

15. Any portion of the building being renovated?

No.

16. Any permanent jobs anticipated?

Yes. Leasing and Management jobs. 4 positions.

There is a restaurant proposed with several permanent jobs.

17. Cash Flow Pro Forma attached.

18. EBO Form A attached

19. \$325,000 No other loans have been requested. Only the development loan from Triumph Bank.

20. No portion of the project is currently leased.

## Development History

Riverchase Apartments; 96 units, Robinsonville, MS  
Sold in 2002 \$5,200,000.00

Commerce Landing Center; 12,000 sqft retail strip center, Robinsonville, MS  
Value \$1,000,000.00

Riverchase Commons; 12,000 sqft retail strip center, Robinsonville, MS  
Sold in 1998 \$1,200,000.00

Hedgemoor Square Apartments; 68 units, Memphis, TN  
Value \$4,600,000.00

Greenbrier Neighborhood; 48 lot gated community, Memphis, TN  
Sold in 2002 \$4,000,000.00

Vinings Neighborhood; 43 lot gated community, Memphis, TN  
Sold in 2006 \$3,800,000.00

Boxwood Green; 16 lot gated community, Memphis, TN  
Sold in 2004 \$3,500,000.00

Orchards Neighborhood; 4 large lot development; Memphis, TN  
Sold in 2005 \$400,000.00

Dyersburg Station; 2 lot commercial development; Dyersburg, TN  
Sold in 2005 \$900,000.00

Habersham Neighborhood; 11 lot gated community; Memphis, TN  
Sold in 2007 \$2,000,000.00

4Twenty South Condos; 38 unit condo development; Memphis, TN  
Sold 2007-2009 \$7,800,000.00

Oliver Grove; 138 lot community; Bartlett, TN  
Fee Development 2007

Evergreen; 150 lot T&D development; Lakeland, TN  
Zoned in 2008---Waiting to develop

Lakeland Commons; 43 acer mixed use center; Lakeland, TN  
Value \$12,000,000.00

Cabinet Shop; apartment/retail mix-use building; Memphis, TN  
Value \$4,000,000.00

Printers Alley; apartment/retail mix-use building; Memphis, TN  
Value \$4,200,000.00

Annex Lofts; apartment/retail mix-use building; Memphis, TN  
Value \$3,200,000.00

Angelwood Green; 21 lot gated community; Memphis, TN  
Value \$3,000,000.00



Send: Mr. Brett Roler  
Director of Planning  
Center City Commission  
114 N. Main Street  
Memphis, TN. 38103

RE: 266 Front Street  
347 South Front Street  
Memphis, TN 38103

The proposed project is located at the corner of S. Front Street and MLK. 266 South Front Street is currently an un-inviting city block of parking stretching for MLK to Pontotoc with an unattractive one story complex which our client will demo for a much improved street facade.

Our client is proposing a ground up, 3 story, 145 unit complex consisting of three buildings of new construction. The first building will be 75,980 s.f. and the second building will be 60,174 s.f. and a 4,000 s.f. restaurant with roof top dining. The architecture will be very cutting edge with brick and metal panels that will provide a sleek gateway to South Front Street. The design will be compatible to the trendy designs seen in new loft construction in Dallas or Washington DC. The main entrance to the lofts will be on the corner of MLK and South Front. We intend to do something very exciting with architectural lighting and signage to capture the hard corner.

The two buildings will be tied together with a nicely landscaped courtyard with a fountain and benches. The courtyard will provide a nice urban setting for conservation, relaxation and entertainment. The courtyard is an uncommon amenity not provided by other downtown lofts. Our client is contemplating the addition of urban art from local artists.

The units will be new construction with the feel of the downtown loft environment. Open plans ranging from micro units at 450 s.f., one bedroom lofts at 830 s.f. , and a few two bedroom units at 937 s.f. The one bedroom units are 85 percent of the entire project.

The existing sidewalks will be increased in width and street trees will be added to provide a nice softscape. The alley will be improved from MLK to Pontotoc with several new parking spaces added in the rear. The elevations will be designed with a courtyard and entry feature visible on all three sides to create a pleasing elevation no matter what street you are on. 266 S. Front looks to provide a city block of new architecture that the rest of the city can feed from.

Sincerely,

Christopher Speltz  
Renaissance Group, Inc.



January 20, 2015

Dear DMC,

Downtown Condo Connection, Realtors (DCC Realtors) will be marketing the 266 Front Street project. All of our leases will be a minimum of 12 months. The majority of our tenants will be Millennials with a combination of singles, married couples and some roommates.

DCC will begin advertising on our company website to begin pre-leasing the apartments along with installing on-site signage. Once the model is complete, DCC will provide an on-site leasing agent to further promote pre-leasing and complete the rental process as apartments become available. 90% of the first building should be leased within 90 days of completion.

DCC has prospective tenants walk into our office on a daily basis which will help pre-lease these apartments. DCC has a full time leasing agent on site 7 days per week and is located just a few blocks south of this project.

Please let me know if you have further questions.

Sincerely,

Kendall Haney  
Downtown Condo Connection, Realtors  
420 S. Front Street #105  
Memphis, TN 38103  
901-399-8500

420 S. Front St., Suite 105  
Memphis, TN 38103

office: 901.399.8500  
fax: 901.399.8501

[downtowncondoconnection.com](http://downtowncondoconnection.com)





MDB01W2002  
CANDY FACTORY CONDOS

2ND AMENDMENT RIVER CREST  
CONDOMINIUMS MD 11114515

PONTOTOC PLACE  
CONDOMINIUMS  
MD AFD445



FRONT BLUFF

## EXHIBIT A

That certain real property located in Shelby County, Tennessee and being more particularly described as follows:

### PARCEL A:

Beginning at a point at the intersection of the southwest line of Linden Avenue and the southeast line of South Front Street, thence south 59 degrees 40 minutes 15 seconds east with the southwest line of Linden Avenue and the northeast line of Lot 1, Block 26 in the Plan of South Memphis a distance of 165.00 feet to a point in the northwest line of a 10.0' alley; thence, south 30 degrees 19 minutes 45 seconds west with the northwest line of said alley and the southeast line of said Lot 1 and Lot 2, Block 26, of the Plan of South Memphis, a distance of 145.00 feet to a point in the north line of the Sigmund Hiller Property as recorded in book 5960, page 139; thence north 59 degrees 40 minutes 15 seconds west with the north line of said Sigmund Hiller Property a distance of 165.00 feet to a point in the southeast line of South Front Street; thence, north 30 degrees 19 minutes 45 seconds east with the southeasterly line of South Front Street and the northwest line of Lot 2 and Lot 1, Block 26, of the Plan of South Memphis a distance of 145.00 feet to the point of beginning.

### PARCEL B:

Beginning at a point in the southeast line of South Front Street, said point being 170.86 feet southwestwardly from the intersection of the southeast line of South Front Street and the southwest line of Linden Avenue and being in the southwest line of the Sigmund Hiller Property as recorded in Book 5960, page 139; thence south 59 degrees 40 minutes 15 seconds east with the southwest line of the said Sigmund Hiller Property a distance of 165.00 feet to a point in the northwest line of a 10.0' Alley and the southeast line of Lot 3, Block 26, of the Plan of South Memphis, thence south 30 degrees 19 minutes 45 seconds west with the said northwest line of a 10.00' Alley and the southeast line of Lot 3 and Lot 4, Block 26 of the Plan of South Memphis a distance of 95 feet to a point in the northeast line of the Henry B. Cowles and the Glen F. Cowles Property as described in instrument BH-6571; thence North 59 degrees 40 minutes 15 seconds west with the northeast line of the said Henry B. Cowles and Glen F. Cowles property a distance of 165.00 feet to a point in the southeast line of South Front Street; thence north 30 degrees 19 minutes 45 seconds east with the southeast line of South Front Street and the northwest line of Lot 4 and Lot 3, Block 26, of the Plan of South Memphis a distance of 95.00 feet to the point of beginning.

### PARCEL C:

Beginning at a point in the southwest line of Linden Avenue, said point being 175.00 feet southeastwardly from the intersection of the southwest line of Linden Avenue and the southeast line of South Front Street and said point being in the southeast line of a 10.0' Alley and the northwest line of Lot 5, Block 26 of the Plan of South Memphis, thence, south 59 degrees 40 minutes 15 seconds east with the southwest line of Linden Avenue and the northeast line of Lots 5 and 6, Block 26, of the Plan of South Memphis a distance of 100.00 feet to a point in the northwest line of a 10.0' Alley; thence south 30 degrees 19 minutes 45 seconds west with the northwest line of said 10.0' Alley a distance of 300.61 feet to a point in the northeast line of Pontotoc Avenue, thence north 59 degrees 43 minutes 20 seconds west with the northeast line of said Pontotoc Avenue and the southwest line of Lots 8 and 9,

Block 26, of the Plan of South Memphis a distance of 100.00 feet to a point in the southeast line of a 10.0' Alley; thence north 30 degrees 19 minutes 45 seconds east with the southeast line of said 10.0' Alley a distance of 300.70 feet to the point of beginning.

13467354.11

**Phase 1 & 2 Consolidated  
Sources and Uses**

Site	\$	1,850,000
Site Work	\$	325,000
Construction	\$	12,203,571
Interest/Bank Fees	\$	712,245
Legal/Accounting	\$	115,204
CCC PILOT	\$	160,000
Architect/Engineer	\$	630,306
Developer Fee	\$	1,430,000
Contingency		
Demo	\$	200,000
MSC/Décor	\$	292,959
Landscape	\$	<u>267,959</u>
<b>Total</b>	\$	<b>18,187,245</b>

Investor at:

Sources:

Deferred Development Fee	\$	1,430,000
Equity	\$	1,850,000
CCDC Loan	\$	325,000
Bank Loan	\$	<u>14,582,245</u>
<b>Total</b>	\$	<b>18,187,245</b>

<u>Total Cost Less DDF &amp; Equity</u>	<u># of Units</u>	<u>Cost per Unit</u>
\$ 14,907,245	145	\$ 102,809



**MONTGOMERY  
MARTIN**  
CONTRACTORS, LLC

November 25, 2014

Mr. Vince Smith  
VS Property Management.  
PO Box 240112  
Memphis, TN 38124

**Re: MEM – 266 Front Street Apartments**

Dear Vince,

We received the Geotechnology Soil Report dated November 13, 2014 and are very concerned about the additional costs requirements that need to be considered based on the report. The original budget dated November 10, 2014 does not include any costs for poor soil conditions. Attached is an estimate for additional costs based on the recommendations of the report. The total costs would be between \$225,000 and \$300,000. Soil conditions vary across the site so that is why we have included a range. We are very familiar with site conditions in the downtown area. Underground conditions are typically unknown until the grading begins. The undercut and backfill process will need to be completed on a unit price basis.

Let me know if you have any questions.

Sincerely,  
Montgomery Martin Contractors, LLC

Richard T. Meena  
Vice President



266 South Front Phase 1

Revenue:

Unit Type	#	Square Feet	Monthly Rent/unit	Monthly Rental Revenue	Annual Rental Revenue
2 br/2 bath: B2	4	1340	1,250	5,000	60,000
1 br/1 bath: B1	5	1064	1,000	5,000	60,000
	0		0	0	0

Unit Type

Unit Type	#	Square Feet	Monthly Rent/unit	Monthly Rental Revenue	Annual Rental Revenue
1 br/1 bath: A1	67	793	995	66,665	799,980
1 br/1 bath: A2	1	914	1,000	1,000	12,000
	0		0	0	0
	0		0	0	0

Retail:

	0		0	0	0
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Totals:

	77			77,665	931,980
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12 Parking Spaces: 0

Vacancy loss: 7%

Total Revenue:

				0	(65,239)
				866,741	

Expense:

Administrative	3,000	36,000
Management	4,000	48,000
Utilities	4,500	54,000
Maintenance	5,500	66,000
Insurance	4,500	54,000
Reserves	1,000	12,000
Taxes	5,351	64,208

Totals:

	27,851	334,208
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NOI

	532,533
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266 South Front Site Phase 2

Unit Type	#	Square Feet	Monthly Rent/unit	Monthly Rental Revenue	Annual Rental Revenue
2 br/2 bath: B2	2	1340	1,250	2,500	30,000
Micros	18	486	800	14,400	172,800
<u>Unit Type</u>					
1 br/1 bath: A1	3	1064	1,000	3,000	36,000
1 br/1 bath: A2	45	793	995	44,775	537,300
Retail:	1		4000	4,000	48,000
Totals:	68			68,675	824,100
12 Parking Spaces:	0		0	0	0
Vacancy loss:	7%			0	(57,687)
Total Revenue:					766,413
Expense:					
Administrative				3,000	36,000
Management				4,000	48,000
Utilities				4,500	54,000
Maintenance				5,500	66,000
Insurance				4,500	54,000
Reserves				1,000	12,000
Taxes				0	0
Totals:				27,851	334,208

NOI 432,205





south front street

MLK street



bldg II 60,174 s.f. total  
 first floor plan- 20,014 s.f.  
 rentable- 16,366 s.f.

bldg I 75,980 s.f. total  
 first floor plan- 25,212 s.f.  
 rentable- 21,011 s.f.

scale: 1"=8'3/2

**NEW LOFTS**  
**266 FRONT STREET**  
 MEMPHIS, TENNESSEE

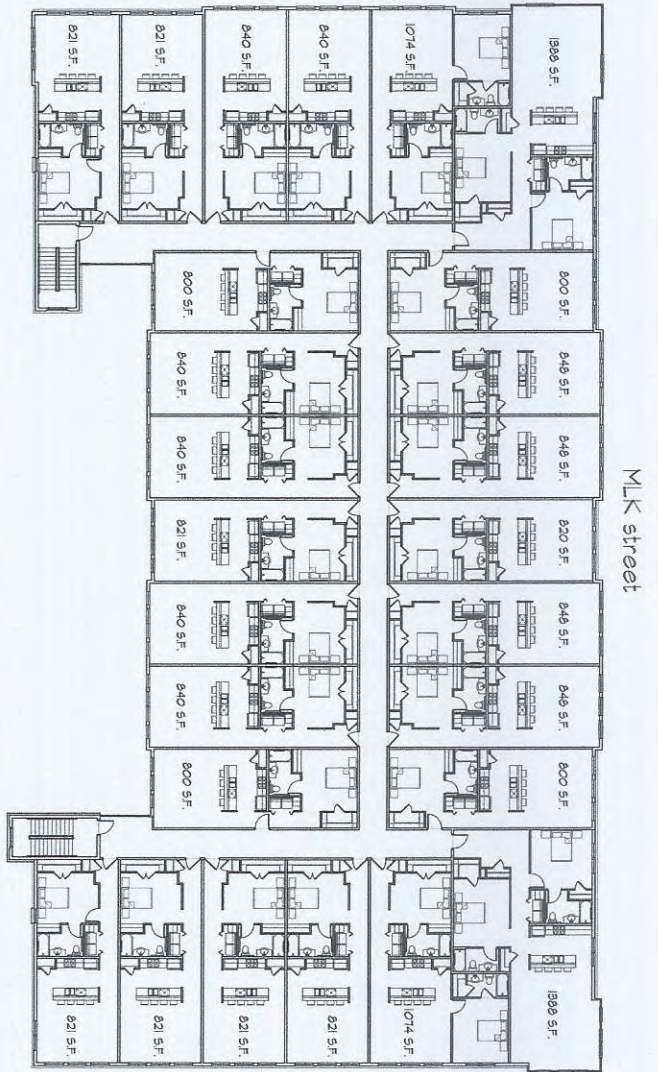
**A2.1**

DATE	DESCRIPTION
10/11/11	REVISED PLAN
10/11/11	REVISED PLAN
10/11/11	REVISED PLAN
10/11/11	REVISED PLAN
10/11/11	REVISED PLAN
10/11/11	REVISED PLAN
10/11/11	REVISED PLAN
10/11/11	REVISED PLAN

**NOT FOR CONSTRUCTION**

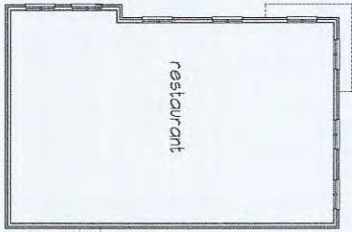
**Renaissance Group**  
 9700 South Main Street, Suite 100  
 Memphis, TN 38125-3553  
 Phone: 901.522.2333  
 Fax: 901.522.2334

south front street

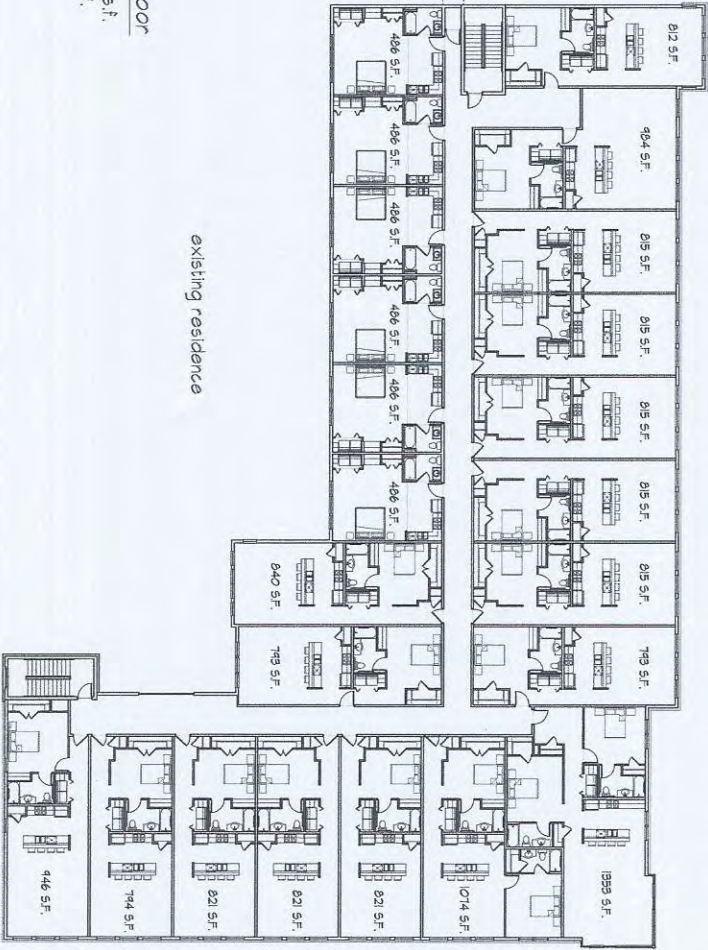


MLK street

bidg | second-third floor  
typical floor plan- 25,384 s.f.  
rentable- 23,121 s.f.



bidg || second-third floor  
typical floor plan- 20,080 s.f.  
rentable- 17,843 s.f.



existing residence

existing alley

scale: 1"=3/32



**Renaissance Group**  
7777 Lakeside Ln, Suite 100  
Memphis, TN 38134  
Tel: 901.352.8334

NOT FOR CONSTRUCTION

Area	Area	Area

**NEW LOFTS**  
**266 FRONT STREET**  
MEMPHIS, TENNESSEE



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 design concepts are the exclusive  
 property of Renaissance Group Inc.

**mlk elevation**  
 building I

proposed elevation for  
**266 Memphis Lofts**  
 Memphis, Tennessee

brick - pine hall  
 manchester  
 corner lobby entrance

10-22-2014



Renaissance  
 Group



west elevation at S. Front and MLK



north elevation at MLK



Renaissance  
Group

new building I  
**266 Memphis Lofts**  
Memphis, Tennessee

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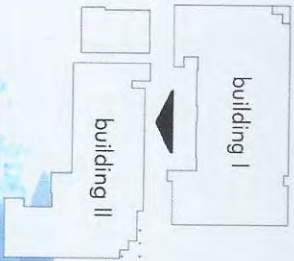
**alley elevation**  
building I

proposed elevation for

**266 Memphis Lofts**  
Memphis, Tennessee

10-22-2014





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building II lobby entrance

**interior courtyard elevation**  
 building II

proposed elevation for

**266 Memphis Lofts**  
 Memphis, Tennessee

10-22-2014





**existing building for demolition**



**existing corner of S. Front and MLK**

existing buildings for

# **266 Memphis Lofts**

**Memphis, Tennessee**



Renaissance  
Group





**Equal Business Opportunity Program  
Form A: Proposed Utilization Plan**

Bidder/Proposer/Developer: <u>Web Developer LLC</u>	Date Submitted:
Project Address/Description:	Contact Person:

The above named company proposes to use the services of the following listed firms.

Name/Address/Telephone	Ownership Status	Certifying Agency	Type of Work	Subcontract Dollars	Subcontract Percentage
				\$	%
				\$	%
				\$	%
				\$	%
<b>Total MBE:</b>				\$	%
<b>Total WBE:</b>				\$	%
<b>Total White:</b>				\$	%
<b>Total Other:</b>				\$	%

**Business Ownership Status**  
 Minority Owned – MBE  
 Women Owned – WBE  
 White Owned – WOB  
 Other – Non-certified MBE/WBE

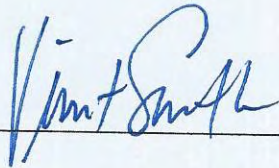
I certify that the above information is true to the best of my knowledge:

Signature: <u>Mont Spivey</u>	Title: <u>Chief Manager</u>	Date: <u>Jan 20. 2015</u>
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The following statement must be included along with a dated signature of the applicant or applicant's representatives.

This application is made in order to induce the Memphis Center City Development Corporation (CCDC) to grant financial incentives to the applicant. The applicant hereby represents that all statements contained herein are true and correct. All information materially significant to the CCDC in its consideration of the application is included. The applicant expressly consents to the CCDC's investigation of its credit in connection with this application. The applicant acknowledges that it has reviewed the descriptions of the CCDC financial program for which it is applying and agrees to comply with those policies. The applicant shall also be required to show a good faith effort with regard to the employment of minority contractors. The applicant specifically agrees to pay all reasonable costs, fees and expenses incurred by the CCDC whether or not the incentive is granted or project completed.

Applicant Signature



Date

